

## Fiscal Estimate - 2003 Session

Original     
  Updated     
  Corrected     
  Supplemental

<b>LRB Number</b> <b>03-3000/1</b>	<b>Introduction Number</b> <b>AB-571</b>
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**Subject**

School aids, funding for school costs, school levy rate limits, local government employees, income tax credit for renters, sales tax changes

**Fiscal Effect**

**State:**

No State Fiscal Effect  
 Indeterminate

<input checked="" type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Create New Appropriations	<input checked="" type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Decrease Existing Revenues	<input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Decrease Costs
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**Local:**

No Local Government Costs  
 Indeterminate

1. <input checked="" type="checkbox"/> Increase Costs <input checked="" type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	3. <input type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<b>5. Types of Local Government Units Affected</b> <input checked="" type="checkbox"/> Towns <input checked="" type="checkbox"/> Village <input checked="" type="checkbox"/> Cities <input checked="" type="checkbox"/> Counties <input checked="" type="checkbox"/> Others <u>Any other municipal entities</u>  <input checked="" type="checkbox"/> School Districts <input checked="" type="checkbox"/> WTCS Districts
2. <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	

<b>Fund Sources Affected</b>	<b>Affected Ch. 20 Appropriations</b>
<input checked="" type="checkbox"/> GPR <input type="checkbox"/> FED <input checked="" type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS 101, 134	

<b>Agency/Prepared By</b>	<b>Authorized Signature</b>	<b>Date</b>
ERC/ Georgann Kramer (608) 266-9287	Peter Davis (608) 266-2993	10/21/2003

## Fiscal Estimate Narratives

ERC 10/21/2003

LRB Number	03-3000/1	Introduction Number	AB-571	Estimate Type	Original
<b>Subject</b>					
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### Assumptions Used in Arriving at Fiscal Estimate

AB-571 would likely increase the demand for WERC mediation services in labor disputes involving school district professional employees by eliminating the Qualified Economic Offer (QEO) exception to interest arbitration. In contract disputes subject to the QEO, the WERC's "investigation" role, which essentially is a mediation role, has been substantially abbreviated, comprising (1) a largely administrative determination that the employer's offer appears on its face to meet the statutory requirements of a QEO, and (2) a determination as to whether the parties are deadlocked in their negotiations. In many disputes, this relatively constricted role has left little room for mediation. Therefore, if the QEO exception is removed, the WERC would anticipate an increase in the amount of mediation services it provides in teacher contract disputes. We estimate that the increased time would encompass at least two professional FTE positions.

AB-571 may also increase the number of interest arbitration petitions filed at the WERC. If the number of petitions were to increase, such increase would produce additional demand for WERC mediation services. An increased case load would produce additional filing fee revenue.

AB-571's elimination of an interest arbitrator's consideration of (1) local economic conditions, and (2) expenditure and revenue limitations may increase the number of interest arbitration cases won by a union and therefore the costs of local governments.

It is beyond this agency's expertise to offer an opinion about whether AB-571's complex changes in the manner in which school districts are financed will affect school districts' overall costs.

### Long-Range Fiscal Implications

## Fiscal Estimate Worksheet - 2003 Session

Detailed Estimate of Annual Fiscal Effect

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  Updated     
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<b>Subject</b>			
School aids, funding for school costs, school levy rate limits, local government employees, income tax credit for renters, sales tax changes			
<b>I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):</b>			
<b>II. Annualized Costs:</b>		<b>Annualized Fiscal Impact on funds from:</b>	
		Increased Costs	Decreased Costs
<b>A. State Costs by Category</b>			
	State Operations - Salaries and Fringes	\$153,000	
	(FTE Position Changes)	(2.0 FTE)	
	State Operations - Other Costs	19,000	
	Local Assistance		
	Aids to Individuals or Organizations		
	<b>TOTAL State Costs by Category</b>	<b>\$172,000</b>	<b>\$</b>
<b>B. State Costs by Source of Funds</b>			
	GPR	172,000	
	FED		
	PRO/PRS		
	SEG/SEG-S		
<b>III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, ets.)</b>			
		Increased Rev	Decreased Rev
	GPR Taxes	\$	\$
	GPR Earned		
	FED		
	PRO/PRS (134)	20,000	
	SEG/SEG-S		
	<b>TOTAL State Revenues</b>	<b>\$20,000</b>	<b>\$</b>
<b>NET ANNUALIZED FISCAL IMPACT</b>			
		State	Local
NET CHANGE IN COSTS		\$172,000	\$
NET CHANGE IN REVENUE		\$20,000	\$
<b>Agency/Prepared By</b>		<b>Authorized Signature</b>	<b>Date</b>
ERC/ Georgann Kramer (608) 266-9287		Peter Davis (608) 266-2993	10/21/2003